

business. How ingenuous can you get? Under the old loan system still being used by most schools, a student applies to a bank for a loan. Checking his or her qualifications is a loan guarantee agency, commonly run by state governments, but also by private enterprise. The agencies then issue a guarantee of repayment to the banks. The federal government pays banks subsidies to forgive part of the interest payments and pays fees to the guarantee agencies for their services.

If a student defaults on a loan, the bank is reimbursed—making student loans the safest loans a bank can make. Loan guarantee agencies are paid fees to hound defaulters. Is this not big government? Can this be free enterprise?

There's more. The old system created a secondary loan business, including the huge public-private Sallie Mae association based in Washington, and smaller ones, like one operated by the Illinois Student Assistance Commission. These groups make money by buying loans from banks and packaging them in large blocks for resale. They were created by Congress and the states to free money for more student loans, but as was said of some missionaries to Hawaii, Sallie Mae and its emulators came to do good and ended up doing well. They are big businesses with highly paid executives.

The direct loan program, a plan advanced by Sen. Paul Simon (D-Makanda), eliminated this entire pyramid. No government subsidy or risk-free lending for banks, no government payments to loan-guarantee agencies, no Sallie Maes with executives paid from profits extracted from government loan subsidies.

But odds are increasing that Congress this fall will stop the direct loan program in its tracks, led by the same people who claim they are trying to get government off our backs. And so far, it seems to be going down like a cold, sweet Coke on a hot summer's day.●

#### NATIONAL RIGHT TO WORK ACT

● Mr. BURNS. Mr. President, I am pleased to add my name as a cosponsor to S. 581, the National Right to Work Act. As a strong supporter of the right to work, I feel this legislation is vital.

We have spent the first part of this Congress fighting for freedom—the freedom from Government intervention, the freedom of speech, the freedom to choose your health care and even the freedom to succeed. This bill, though it does not add a single letter to Federal law, guarantees the freedom to work free of union imposition.

Why is this important? Americans have always been independent. No matter where they came from, they came to America to see their hard work pay off. And they are not afraid of hard work. This is especially true of Montanans.

But when a worker is forced to pay union dues in order to get a job or keep a job, they have lost part of their freedom. They may get some benefits from joining a union—I am not saying there is no role for unions here—but they lose the freedom to choose.

Mr. President, Congress created the law which allows union officials to force dues in any State back in 1935. Now we need to correct that. All we need to do is to repeal that portion of the National Labor Relations Act

[NLRA] which authorizes the imposition of forced union dues contracts on employees.

Nearly every poll taken on this issue over the last few decades has shown that about 8 out of 10 Americans are opposed to forcing workers to pay union dues. It is tough to get 8 out of 10 Americans to agree on anything. I think this is a call for action.

And if you look at job creation in States that have implemented right to work laws, it is hard to ignore the results. Hundreds of thousands of manufacturing jobs have been created in right-to-work States. And in forced-unionism States, hundreds of thousands of jobs have been lost.

I have supported this bill in the past and I truly believe that this is the year to finally make this change. Working men and women in Montana want the freedom to work and they are not alone. I urge my colleagues to listen to what their constituents are saying as well. If you do, you will feel compelled to join me and the other cosponsors in supporting the National Right to Work Act.●

#### THE IMPORTANCE OF CONTINUED FEDERAL SUPPORT FOR AMERICORP

● Mr. PELL. Mr. President, this month marks the start of a new class of AmeriCorps members who are dedicated to serving this Nation. As AmeriCorps celebrates its first successful year and the new class begins its service, I would like to take this opportunity to reiterate my support for continued Federal funding of this important national service initiative.

Over the past year, 20,000 AmeriCorps members worked in schools, hospitals, national parks, and law enforcement organizations to meet the most crucial needs of individual communities. AmeriCorps clearly helps to provide a more promising future for Americans by expanding educational opportunities for the young whole simultaneously improving the public services in hundreds of communities.

In my own State of Rhode Island, AmeriCorps has been particularly successful due to the efforts of Lawrence K. Fish, chairman of the Rhode Island Commission for National and Community Service. Mr. Fish challenged higher education institutions in Rhode Island to grant scholarships to AmeriCorps members. Many of our colleges and universities answered Mr. Fish's challenge and have begun lending their support in the form of college scholarships. His endeavor to expand AmeriCorps has offered more students access to an otherwise unaffordable education. Mr. Fish's exemplary work in Rhode Island serves as the quintessential example of building the natural bridge between public service and educational opportunities. In this regard, I ask that an opinion editorial by Lawrence Fish from the Providence

Journal of October 11 be printed in the RECORD.

The editorial follows:

[From the Providence (RI) Journal, Oct. 11, 1995]

#### THE CHALLENGE OF AMERICORPS

(By Lawrence K. Fish)

Not surprisingly, the debate in Washington over continued funding of the Corporation for National Service has become laser-focused on the politics of embarrassing President Clinton, and not on the people for whom AmeriCorps has been a ringing success.

And the reason is not surprising. It is that Washington, to the frustration of just about everyone outside the District of Columbia, just can't resist playing an inside-the-Beltway version of Gotcha! From the politicians to the pundits to the press, the emphasis remains on the politics of issues, not on the substance of issues or their impact on real people.

For whom has AmeriCorps been successful? It's been a success here in Rhode Island to the 250 AmeriCorps members who have signed up for this domestic Peace Corps and whose efforts, mostly in education, have made better, dramatically better, the lives of thousands of our neighbors. Giver and receiver have been enriched by the effort, and for that, Rhode Island is a better place.

Let me try to explain why AmeriCorps' success here in Rhode Island ought to serve as a model for programs in the 49 other states, and why that success and our promise for the future stand as far more compelling points in the debate than political one-upmanship.

AmeriCorps members have served in cities and towns from Woonsocket to Newport, bringing with them a wealth of desire, experience and cultural diversity. They have gotten results—good results that are measurable. You can see the results on paper and you can see them on the faces of children getting their first "A's" and in adults reading for the first time.

Rhode Island's AmeriCorps program has been very successful—and has been recognized as such. For the second straight year, after a very competitive process that pitted us against 49 other states, we received more AmeriCorps funding on a per capita basis than any other state. In this our second year Rhode Island will field 250 AmeriCorps members in eight programs that will touch the lives of thousands of our neighbors. Once again, they will work predominantly in education, because that's where many believe the greatest need is.

Linking public service and education, we approached the leaders of the state's colleges, universities and technical schools to see if they would accept our AmeriCorps challenge to inaugurate a public-private partnership from which they will get the lessons of service and commitment from AmeriCorps veterans and to which they will provide a quality education.

The Rev. Philip Smith of Providence College was the first to meet the challenge, and Vartan Gregorian of Brown was close behind. They were followed almost immediately by our other higher-education leaders—Bob Carothers of URI, Sister Therese Antone of Salve Regina, Bill Trueheart of Bryant, Roger Mandle of RISD, Jack Yena of Johnson and Wales and Ed Liston of CCRI. I mention them to dramatize that AmeriCorps runs cost-effective, successful, nonpartisan programs.

I accompanied the presidents of seven of the state's public and private colleges and universities to Washington for meetings on Capitol Hill and in the White House. There we outlined the Rhode Island Challenge to